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SUBJECT: TOP JAPANESE PYONGYANG-WATCHER ON SINO-DPRK TIES

REF: SEOUL 1672

Classified By: POL M/C James L. Wayman. Reasons 1.4 (b/d).

Summary

11. (C) Fresh from detailed discussions with longtime Chinese and North Korean contacts in Beijing, noted Japanese DPRK-watcher Professor Hajime Izumi told us that Premier Wen's October trip to Pyongyang had restored China's influence with the DPRK and put Beijing's relationship with the North back on track. Wen's "3-5-8" aid package of food, heavy fuel oil, and high-quality coal had done the trick, Izumi claimed, adding that China does not want rapid progress in the Six-Party Talks. Izumi asserted Beijing was in a holding pattern in dealing with the ROK on major political issues until 2012, when a new administration and OPCON transfer would make Seoul a more promising target of opportunity. Izumi claimed that the PLA does not believe the North's nuclear threat could spark a regional arms race and had concluded the threat of Japanese remilitarization was near non-existent. End Summary.

Wen's Visit "Fixed China's DPRK Problem"...

12. (C) Hajime Izumi, Director of the Center for Korean Studies at Shizuoka University, told poloffs on November 20 that China was confident that Premier Wen Jiabao's October 2009 Pyongyang trip was a "turning point" in dealing with the DPRK. Izumi, who had just concluded meetings in Beijing with longtime official PRC and DPRK interlocutors, noted that China's relations with Pyongyang had soured after the North's unannounced missile launch in April and nuclear test in May. China's subsequent support for the UNSC Presidential Statement condemning the test had further complicated relations that Izumi claimed had now been repaired by the Wen visit and Kim Jong-il's face-saving apparent agreement to return to the Six-Party Talks.

...For a Price: "3-5-8" Aid Package

13. (C) According to Izumi, the North's alleged willingness to return to the Six-Party Talks came at the price of 300,000 metric tons (MT) of food, 500,000 MTs of heavy fuel oil, and 800,000 MTs of high-quality coal -- which PRC officials referred to as the "3-5-8 package." The "3-5-8 package" carried significant symbolism, as it was the same package Beijing gave Pyongyang in 1965, as China emerged from the economic chaos caused by the Great Leap Forward and offered aid to the struggling DPRK. Delivery of the latest 3-5-8 package began in September and would be absent from official

PRC trade statistics, according to Izumi's sources.

China's DPRK Policy: "Business as Usual"

14. (C) Izumi suggested it now appeared that for Beijing it was back to business as usual regarding the DPRK. Lingering mistrust existed over the nuclear tests, but the PLA was confident it could deal with the DPRK as it had in the past. The Chinese leadership allegedly viewed the North Koreans as "just crazy enough" to actually use military force against China, so the PLA had determined to improve bilateral relations and "hold them close." Izumi noted that the party-to-party link between Beijing and Pyongyang gave the two countries a unique relationship, but ties were far from normal. Asked if China had another redline for provocative DPRK behavior, Izumi suggested it did not appear so.

China Prefers Slow Approach to Six-Party

15. (C) China was in no hurry to reconvene the Six-Party Talks, Izumi's interlocutors had said, emphasizing that Beijing was focused on results more than process. As an issue of face, Beijing was not interested in hosting another round unless there were signs that real progress could be made. Chinese officials told Izumi they would like to see at least three U.S.-DPRK bilaterals before reconvening the Six-Party Talks, suggesting that's what would be necessary to get enough progress to make a next round productive.

PLA Calling Shots on DPRK Policy?

16. (C) According to Izumi, the PLA currently has the lead on China's DPRK policy; according to Izumi's contacts, MFA lost the lead following a series of senior PRC visits to Pyongyang that failed to persuade the North to return to the Six-Party Talks. While other PRC ministries and institutions had concluded that the DPRK was no longer the valuable buffer state it had once been for China, the PLA was holding fast to old, conventional wisdom. Izumi downplayed the significance of recent criticism of the North in PRC media, claiming it was limited to junior academics who had little influence over policy in the near term.

China Welcomes OPCON Transfer, Dismissive of LMB

17. (C) According to Izumi, senior PRC leaders viewed the transfer of wartime operational control of Combined Forces Korea from USFK to the ROK (OPCON Transfer) scheduled for 2012 as an opportunity to split the U.S.-ROK alliance and dismissed ROK President Lee Myung-bak as a CEO, not a statesman, Izumi claimed. Beijing had little interest in working with Lee and had no plans to engage Seoul on substantive political or security issues until after OPCON transfer and the next ROK presidential election in 2012, Izumi asserted.

"Japan? Who's Afraid of Japan?"

18. (C) Izumi said his PLA contacts did not find credible the threat of a regional arms race triggered by the North's nuclear program because they do not believe Japan is capable of remilitarizing. They commented that Japan "just sat and watched" two North Korean nuclear tests. Izumi's PLA contacts also noted Japan had decreased its military budget during the past seven years and believed that, as long as that trend continued, China had no reason to fear Japan. STEPHENS